



Entered on Docket
November 28, 2006

A handwritten signature in dark ink, appearing to read "Linda B. Riegle".

Hon. Linda B. Riegle
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

* * * * *

In re:)	BK-S-06-10725-LBR
)	Chapter 11
USA COMMERCIAL MORTGAGE)	
COMPANY,)	
)	Date: December 12, 2006
Debtor.)	Time: 9:30 a.m.

ORDER REGARDING SETTLEMENT CONFERENCE

A settlement conference is hereby ordered to commence on **December 12, 2006, at 9:30 a.m.**, before Bankruptcy Judge Glover, Third Floor of the Foley Federal Building, 300 Las Vegas Boulevard South, Las Vegas, Nevada.

All counsel of record that will be participating in the trial of this case on behalf of the Diversified and Unsecured creditors committees must be present.

Counsel shall arrange for a representative of the respective committees, with full authority to negotiate a settlement, to be present in court for the duration of the settlement conference. Counsel shall further arrange for a vote by the respective committees within twenty-four hours of any settlement.

PREPARATION FOR SETTLEMENT CONFERENCE

No later than seven business days before the settlement conference, the parties shall exchange written settlement offers. No later than four business days before the settlement conference each party shall submit a confidential settlement conference statement, *which will include a copy of the last settlement offer*, to the chambers of Judge Nakagawa for in camera

1 review by the settlement conference judge. If not timely filed, sanctions may be imposed. The
2 settlement conference statement shall be no longer than 5 double-spaced pages. The settlement
3 conference statement shall contain the following:

- 4 1. A brief statement of the nature of the action.
- 5 2. A concise summary of the evidence that supports your theory of the case,
6 including information documenting your damages claims. You may attach to your statement a
7 limited number of documents or exhibits that are especially relevant to key factual or legal issues.
- 8 3. A brief analysis of the key issues involved in the litigation.
- 9 4. A discussion of the strongest points in your case, both legal and factual, and a
10 frank discussion of the weakest points as well. The court expects you to present a candid evaluation
11 of the merits of your case.
- 12 5. A further discussion of the strongest and weakest points in your opponents'
13 case, but only if they are more than simply the converse of the weakest and strongest points in your
14 case.
- 15 6. A history of settlement discussions, if any, which details the demands and offers
16 which have been made, and the reasons they have been rejected.
- 17 7. The settlement proposal that you believe would be fair.
- 18 8. The settlement proposal that you would honestly be willing to make in order to
19 conclude this matter and stop the expense of litigation.

20 The settlement conference statement should be delivered to chambers in an envelope
21 clearly marked "Contains Confidential Settlement Brief."

22 The purpose of the settlement conference statement is to assist the judge in preparing
23 for and conducting the settlement conference. In order to facilitate a meaningful conference, your
24 utmost candor in responding to all of the above listed questions is required. The confidentiality of
25 each statement will be strictly maintained and following the conference, the statements will be
26 destroyed.

DO NOT SERVE A COPY ON OPPOSING COUNSEL. DO NOT DELIVER OR

1 MAIL THE STATEMENT TO THE CLERK'S OFFICE.

2 **The settlement conference shall not be continued or vacated without prior**
3 **approval of the judge assigned to the case.**

4 FAILURE TO APPEAR WILL RESULT IN THE IMPOSITION OF SANCTIONS. IF
5 THE MATTER IS SETTLED BEFORE THE SETTLEMENT CONFERENCE DATE, THE
6 PARTIES MUST NOTIFY THE SETTLEMENT CONFERENCE JUDGE'S CALENDAR
7 CLERK SO THAT THE MATTER CAN BE TAKEN OFF CALENDAR.

8 IT IS SO ORDERED.

9 Copies sent to:

10 ANNE M. LORADITCH ecffilings@beckleylaw.com, aloraditch@beckleylaw.com;
11 pkois@beckleylaw.com

12 MARC A. LEVINSON
13 ORRICK, HERRINGTON & SUTCLIFFE LLP
14 400 Capitol Mall, Suite 3000
Sacramento, CA 95814-4497

15 For USA Capital Diversified Trust Deed Fund

16 ROB CHARLES rcharles@lrlaw.com
17 SUSAN FREEMAN sfreeman@lrlaw.com

18 SUSAN FREEMAN
19 LEWIS & ROCA
20 40 North Central Avenue, Suite 1900
Phoenix, Arizona 85004-4429
21 For Unsecured Creditor's Committee

22
23
24 # # #
25
26

Bankruptcy Noticing Center
2525 Network Place, 3rd Floor
Herndon, Virginia 20171-3514

CERTIFICATE OF SERVICE

District/off: 0978-2
Case: 06-10725

User: lakaswm
Form ID: pdf928

Page 1 of 1
Total Served: 2

Date Rcvd: Nov 28, 2006

The following entities were served by first class mail on Nov 30, 2006.

+LEWIS & ROCA, 40 NORTH CENTRAL AVENUE, SUITE 1900, PHOENIX, AZ 85004-4446
op +MARC A. LEVINSON, ORRICK, HERRINGTON & SUTCLIFFE LLP, 400 Capitol Mall, Suite 30000,
Sacramento, CA 95814-4407

The following entities were served by electronic transmission.

NONE.

TOTAL: 0

***** BYPASSED RECIPIENTS *****

NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have served the attached document on the above listed entities in the manner shown, and prepared the Certificate of Service and that it is true and correct to the best of my information and belief.

First Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Nov 30, 2006

Signature:

